CENTRAL INTELLIGENCE GROUP

INTELLIGENCE REPORT

COUNTRY

Austria/USSR

SUBJECT

Soviet Petroleum Research Project.

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DATE:

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SUPPLEMENT

ORIGIN

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1. The Soviets have begun a serious study of petroleum resources in the eastern European countries, with a view to a more economical development of sources already producing, as well as the exploitation of still untapped deposits. The organization to which these duties are assigned is known in Austria as the Soviet Petroleum Administration's Geological Research Company for Eastern Europe (G. sellschaft zur geologischen Aufschliessung Ost-Europas im Rahmen der Sowj tischen Mineralolverweltung). The group is said to have been planned since August 1947, though the date of its activation is not known.

Locations

Headquarters are at present in Vienna, where the company is seeking a suitable building. For the present, they occupy offices in Kantgasse 1, Vienna I, home of the Sowjetische Mineralcelverwaltung, Zistersdorf section. Source has also heard a rumor that the permanent seat of the organization will not be in Austria.

Jurisdiction:

All countries occupied by, or under economic control

of, the Soviet Union.

Capital:

At present, for the procurement and furnishing of offices, laboratories and other installations, the company has a sum of 2,000,000 schillings at its

disposal.

Duties:

Basic geological research for the location of ores, petroleum, and mineral salts, and exploitation of such resources in the Soviet-occupied or Soviet-

controlled regions of eastern Europe.

Personalities:

Dr. Krecij-Graf, head of the company.

Dr. Karl Fordinand Friedl, deputy.

Prof. Dr. Hecht, chief chemist.

CLASSIFF ATION

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Other members of the company are not yet known by name, but consist of geologists, geophysicists, surveyors, draughtsmen and chemists.

- 2. Dr. Friedl is credited with being the real discoverer of the Zistersdorf oil deposits. By dint of extensive research and numerous scientific papers, he successfully found and proved the existence of petroleum resources in this area. Having established himself as the first geologist of Zistersdorf, he became a chareholder of the Erdolproduktions-Gesellschaft. This was said to have been the first company to yield a 50% interest to the Soviets. The remaining shares stayed in Austrian hands. Although he was known as a Nazi Party member, his technical qualifications brought Friedl his appointment in 1945 as chief geologist of the Soviet Zistersdorf Oil Staff under the SLV in Kantgasse.
- 3. Prof. Dr. Hecht, eminent Austrian chemist and formerly a university professor in Graz, was engaged in scientific work for the Germans from 1938-1945.

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